

**INDIANA PRESCRIPTION DRUG PROGRAM
ADVISORY COMMITTEE MEETING**

Meeting Notes
August 29, 2005

In Attendance:

Senator Marvin Riegsecker
Representative Vaneta Becker
Representative Clyde Kersey
Steven R. Counsell, M.D.
Emily Hancock, Pharm.D.
Gieranne Hap
Allen Lauer
Twyla Stech
David Miller
Michael Przybylski, Ph.D.
Jewell Spears
Finis Springer

State Staff:

Grace Chandler
Renée Pryor
Neil Steffens
Dee O'Quinn
Dan McLaughlin

Welcome:

Grace Chandler thanked everyone for attending and submitting their comments regarding the proposed HoosierRx Model for 2006. The purpose of this second meeting is to have a final recommendation to present to the Governor's and FSSA Secretary's offices. House Enrollment Act 1325 states the recommendation must be submitted by September 1, 2005. Grace also explained which Advisory Committee Members are eligible to vote.

Discussion Points:

Grace met with the FSSA Secretary to discuss HoosierRx. She was asked to relate the following information to the Advisory Committee:

- Must first look and take care of the "poorest of the poor".
- Must know as a Committee that when legislature was presented this budget for House Enrollment Act 1325, the Governor supported this bill as a way to preserve the *option* of doing this program.
- If the federal State Phased Down Contribution is a lot more than the Medicaid budget can support, there is a potential that this program's budget will be used to pay for that mandate. Grace explained what the 'Contribution' means:
The State is going to have to pay the Federal Government \$101.00 a month for every dual eligible person, starting January 1, 2006. The number of duals to be in the Medicare Drug Benefit as of January is estimated to be 100,000. This is also referred to as "clawback".

HoosierRx needs to have a new program structure starting January 1, 2006. We need to determine the recommended structure. Program budget is limited to \$8M per fiscal year.

Representative Vaneta Becker- "Our decision needs to be for this program, not to other budget items they may choose to use the money for." She suggested that we expand to include the \$9M carry over so the money will not be taken from seniors for prescription drug help.

A summary of comments/proposals received from AARP, Representative Becker, Eli Lilly & Co., Dr. Counsell, and United Senior Action were provided to those in attendance. Representative Becker suggested those in attendance be allowed to present their comments as the response time was limited.

CMS must approve the HoosierRx Model in order to be a Qualified State Pharmaceutical Assistance Program (SPAP). Advantages of being a Qualified SPAP are that the program will receive nearly \$1M in grant funding and coordination of benefits data from CMS for '06.

HoosierRx Model discussed in two parts and voted on:

Part I

Some people receive a partial Medicare Subsidy -15% co-pay, \$50.00 deductible and no gap in coverage. Proposal is for these people to be equal to people who receive the full subsidy, with zero deductible & a co-pay of \$1-\$3 or \$2-\$5. This was voted on and approved as first part of the Recommendation.

Part II

People with no Medicare Subsidy – propose to cover people up to 135% FPL & provide them with premium & deductible. This would leave them 25% co-pay, which is what they currently have with HoosierRx.

People up to 150% with higher assets have a premium, \$250 deductible, 25% co-pay & gap. Propose to cover premium and deductible. Currently not covered on HoosierRx, so proposed benefit will be better than what they pay out of pocket now.

Utilize the \$8M annual budget for the people with income up to 135% FPL. For people with income up to 150% use the \$9M carry over funding.

Program staff is looking to simplify enrollment by:

- Data matches with CMS

- Social Security Administration determining income limits

- Not counting at assets

- Medicare Prescription Drug Program (PDP) sending HoosierRx info in enrollment materials

Motion made by Allen Lauer to draft this model. Seconded by Gerianne Hap and Finis Springer. Draft of model and letter will be sent to Committee Members and Stakeholders for any final suggestions prior to sending final recommendation to the Governor and FSSA Secretary.

Motion made and passed to recommend keeping HoosierRx as the name of the program.

Grace Chandler thanked the committee members for their efforts and support of the program.

Committee members will be notified of the date and time of the next meeting.